



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

ORLENE HAWKS
DIRECTOR

SALLY A. TALBERG
CHAIRMAN

NORMAN J. SAARI
COMMISSIONER

DOCKET FILE COPY ORIGINAL
February 7, 2019

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Mr. Victor Gaither
Vice President, High Cost and Low Income Div.
Universal Service Administration Company
700 12th St. NW, Suite 900
Washington, DC 20005

**Re: Great Lakes Energy Connections, Inc. Certification of Wire Centers for
Universal Service Support, Pursuant to Section 214(e)(2) of the Federal
Communications Act of 1996, Federal Communications Commission CC Docket No.
96-45, CC Docket No. 09-197, WC Docket No. 10-90**

Dear Ms. Dortch and Mr. Gaither:

Pursuant to the requirements of 47 C.F.R. § 54.201, the Michigan Public Service Commission (MPSC) hereby certifies to the Federal Communications Commission (FCC) and the Universal Administrative Company (USAC) that Great Lakes Energy Connections, Inc. (Great Lakes) has met the current standards for state Eligible Telecommunications Carrier (ETC) designation, for the purposes of receiving universal service fund support for both High-Cost and Lifeline in the areas listed in Exhibit 1 of their application.

Attached is the MPSC Order approving the application of Great Lakes in case U-20326, as well as the service area page.

Sincerely,

Robin P. Ancona, Director
Telecommunications Division

Attachments

- Great Lakes ETC Order (U-20326)
- Service Area – Page

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Cc: Jessica Zufolo, USAC

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)
GREAT LAKES ENERGY CONNECTIONS, INC.,)
for designation as an eligible telecommunications)
carrier in the state of Michigan.)
_____)

Case No. U-20326

At the February 7, 2019 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner

ORDER

On September 26, 2018, Great Lakes Energy Connections, Inc. (GLEC) filed an application pursuant to Section 214(e)(2) of the federal Communications Act of 1934, 47 USC 214(e)(2), for designation as an eligible telecommunications carrier (ETC) for access to universal service fund (USF) support for the purpose of expanding and enhancing its rural broadband network and providing Lifeline service to low-income customers in Michigan. GLEC filed amended applications on December 18, 2018, and January 2, 2019 (January 2 application). GLEC requests that the Commission enter an order designating it as a High-Cost and Lifeline ETC throughout the census blocks listed in Exhibit 1 of the January 2 application. These census blocks represent the areas for which GLEC was assigned the winning bid by the Rural Electric Cooperative Consortium in the Connect America Fund Phase II (CAF II) Auction.

On July 10, 2018, the Federal Communications Commission's (FCC) Wireline Competition Bureau released Public Notice DA 18-714,¹ in which it outlines various key service requirements of obtaining and maintaining an ETC designation, specifically for all CAF II Auction applicants. Among these requirements are: (1) ETCs must offer voice telephony as a stand-alone service; (2) ETCs must offer qualifying voice service using, at least in part, their own facilities; and (3) an ETC satisfies its obligation to offer qualifying services by being legally responsible for dealing with customer problems, providing quality of service guarantees, and meeting USF-related requirements.

On August 28, 2018, the FCC announced the winning bidders of the CAF II Auction. GLEC was awarded several census blocks in the state of Michigan. The auction winners are required to use money awarded in the auction to expand broadband and meet various broadband goals throughout the census blocks; and the award is contingent upon GLEC's designation as an ETC in the census blocks it received, as well as meeting and adhering to all ETC requirements.²

GLEC states that it will be offering stand-alone voice via interconnected Voice over Internet Protocol (VoIP) services. GLEC has contracted with Momentum Telecom, a VoIP and broadband provider, to provide voice services to GLEC's subscribers. In the November 8, 2018 order in Case No. U-20256, GLEC was granted a permanent license to provide basic local exchange service throughout its service area in the state of Michigan. GLEC states that it is regulated as a common carrier and is subject to all applicable regulations.

GLEC states that it plans to offer facilities-based and resold local exchange services to residential and business customers, as well as unregulated information services. Facilities-based

¹ <https://docs.fcc.gov/public/attachments/DA-18-714A1.pdf>

² *Id.*

local exchange service will be provided using facilities owned by GLEC via commercial wholesale agreements with incumbent local exchange carriers and fiber facilities built by GLEC, or a combination of both.

GLEC states that all applicable state and federal requirements related to consumer protection and service quality standards have been met. GLEC states that it will be responsible, managerially and legally, for handling and responding to customer issues. GLEC indicates that it has the ability to remain functional in emergency situations and states that all network assets have adequate backup power generation to provide functionality without an external power source. GLEC states that its network is engineered to provide maximum capacity to handle excess traffic during emergency situations. GLEC indicates that it will comply with the obligations to provide service and have emergency backup power, pursuant to MCL 484.2305(c). Additionally, it will be providing quality of service guarantees for customers.

GLEC certifies that it will use any federal High-Cost support it receives only for the provision, construction, maintenance, and upgrading of facilities and provision of supported services in the service area and in the manner for which it was intended. GLEC has committed to meet all federal broadband deployment obligations and states that it is also providing a broadband speed that currently exceeds the FCC's minimum broadband speed requirements. Additionally, GLEC certifies that it will provide all the services and functionalities required under federal law including providing voice grade access to the public switched telephone network and access to emergency services via 911 or E911.

The Commission notes that the FCC has held that an ETC may satisfy voice obligations through VoIP technology if it meets the functional requirements specified in the rules and the

service is provided on a common carrier basis.³ The FCC has stated that “We recognize that we have not generally classified VoIP as a telecommunications service or information service, but we nonetheless have recognized that providers might elect to offer interconnected VoIP as a telecommunications service.”⁴ The FCC has also recognized that an interconnected VoIP provider can obtain access to the rights available to a telecommunications carrier if it “holds itself out as a telecommunications carrier and complies with appropriate federal and state requirements.”⁵

GLEC has historically been an energy utility, and it does not have the facilities or network infrastructure typical of most providers of basic local exchange service. Due to GLEC’s unique situation, the Commission’s Telecommunications Division Staff (Staff) found it necessary to submit questions to GLEC regarding details of the application, service, and facilities. These inquiries resulted in the filing of the two amended applications. The Staff also consulted with FCC staff regarding this type of ETC application. The FCC confirmed that a broadband provider may satisfy its voice obligation by offering voice service through an affiliate or by offering a managed voice solution (including VoIP) through a third-party vendor. The Staff recommends that the January 2 application be granted.

After reviewing GLEC’s application, the Commission finds that the ETC designation, limited to High-Cost and Lifeline voice support exclusively throughout the census block areas listed in

³ *Connect America Fund et al.*, WC Docket No. 10-90 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, Order No. FCC 11-161, ¶¶ 62-71, *rel’d* November 18, 2011 (*USF/ICC Transformation Order*).

⁴ *Lifeline & Link Up Reform & Modernization et al.*, WC Docket No. 11-42 *et al.*, Third Report and Order, Order No. FCC 16-38, note 709, *rel’d* April 27, 2016.

⁵ *IP-Enabled Services; E911 Requirements For IP-Enabled Service Providers et al.*, WC Docket No. 04-36 *et al.*, First Report and Order and Notice of Proposed Rulemaking, Order No. FCC 05-116, note 128, *rel’d* June 3, 2005.

Exhibit 1, should be conditionally granted. The Commission is persuaded that ETC designation for GLEC promotes the availability of universal service and is in the public interest. The Commission finds that the application as amended demonstrates that GLEC meets the requirements for designation as an ETC. *See*, 47 USC 214(e)(1). The January 2 application for ETC designation is granted on condition that GLEC: (1) comply with the service requirements contained in the *USF/ICC Transformation Order* and subsequent related federal and state rulings, the *Lifeline Reform Order*,⁶ and the December 20, 2012 and January 17, 2013 orders in Case Nos. U-14535 and U-16959; (2) advertise its Lifeline product in media of general distribution including newspaper, radio, its own website, and other direct advertising methods; and (3) include the Commission's customer complaint telephone number on its public web page.

GLEC will be required to re-certify in July 2019 in Case No. U-20357 in accordance with FCC requirements, and annually thereafter, to retain its ETC designation.

THEREFORE, IT IS ORDERED that the January 2, 2019 application filed by Great Lakes Energy Connections, Inc., for designation as an eligible telecommunications carrier for purposes of universal service fund support for both High-Cost and Lifeline in the areas listed in Exhibit 1 of that application is approved as modified by this order.

⁶ *In the Matter of Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, Order No. FCC 12-11, *rel'd* February 6, 2012 (*Lifeline Reform Order*).

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party aggrieved by this order may file an action in the appropriate federal District Court pursuant to 28 USC 1331. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION



Sally A. Talberg, Chairman



Norman J. Saari, Commissioner

By its action of February 7, 2019.



Kavita Kale, Executive Secretary

PROOF OF SERVICE

STATE OF MICHIGAN)

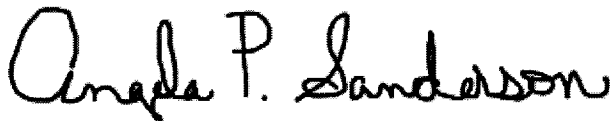
Case No. U-20326

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on February 7, 2019 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 7th day of February 2019.



Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2024

Service List for Case: U-20326

Name	Email Address
Great Lakes Energy Connections Inc.	slamp@glenergy.com
Jason T. Hanselman	jhanselman@dykema.com
John A. Janiszewski	jjaniszewski@dykema.com
Richard J. Aaron	raaron@dykema.com

Exhibit 1

Great Lakes Energy Connections, Inc.

**High-cost and Low-income Designation
Census Block Groups**

Great Lakes Energy Connections, Inc.

Census Block Groups for high-cost and low-income ETC designation

***Seek this designation for all CAF-II winning areas of the Census Block Groups listed below**

260479701002

260479702001

260479703001

260479705001

260319608002

260099602001

260099602002

260099603001

260290001001

260290002001

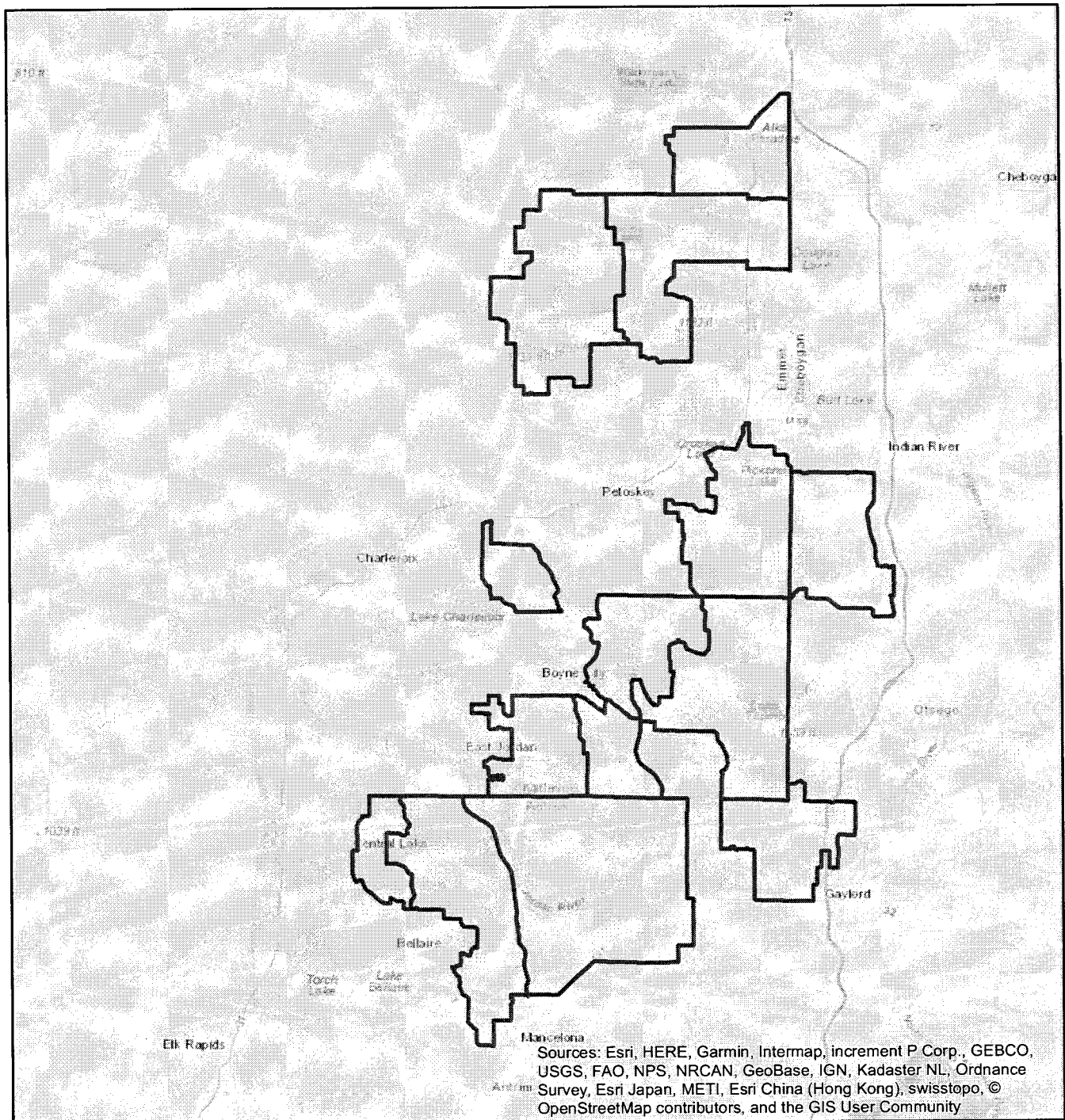
260290003002

260290012001




260290012002

261379502002

GLE Petoskey and Boyne Service Area



Legend

-  Requested Census Block Groups
-  Boyne_Area
-  Petoskey_Area